

IN THE UNITED STATES DISTRICT COURT FOR THE  
WESTERN DISTRICT OF WISCONSIN

UNITED STATES OF AMERICA, )  
Plaintiff, )  
v. ) Case No. 3:16-cv-26-bbc  
AMERICANWAY MANAGEMENT )  
CORPORATION, and )  
JANIS NOWAK, )  
Defendants. )

**CONSENT JUDGMENT AND  
STIPULATED ORDER OF PERMANENT INJUNCTION**

This matter comes before the Court upon the Joint Motion for Entry of Consent Judgment and Stipulated Order of Permanent Injunction by plaintiff, United States of America, and defendants, Janis Nowak and American Way Management Corporation. Pursuant to the motion, it is hereby ORDERED, ADJUDGED, AND DECREED that

1. The Motion is GRANTED.
  2. Judgment is entered in favor of the United States and against AmericanWay Management Corporation in the amount of \$2,004,646.62, plus such statutory interest from August 7, 2015 until fully paid, for the following liabilities:

Type of Tax	Tax Period	Unpaid Assessed Balance Plus Interest and other Statutory Additions to Tax Through August 6, 2015
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Form 941	3/31/2008	\$12,140.89
Form 941	6/30/2008	\$62,571.92
Form 941	9/30/2008	\$69,862.72
Form 941	12/31/2008	\$111,613.25
Form 941	3/31/2009	\$145,138.24
Form 941	6/30/2009	\$67,835.25
Form 941	9/30/2009	\$82,060.83
Form 941	12/31/2009	\$60,856.79
Form 941	3/31/2010	\$65,624.26
Form 941	09/30/2010	\$4,609.86
Form 941	12/31/2010	\$5,115.72
Form 941	9/30/2011	\$8,344.66
Form 941	12/31/2011	\$18,154.75
Form 941	3/31/2012	\$137,232.53
Form 941	6/30/2012	\$109,818.80
Form 941	9/30/2012	\$8,365.58
Form 941	12/31/2012	\$1,418.53
Form 941	3/31/2013	\$4,904.85
Form 941	6/30/2013	\$9,782.97
Form 941	9/30/2013	\$179,665.87
Form 941	12/31/2013	\$132,318.89

Form 941	3/31/2014	\$149,338.96
Form 941	6/30/2014	\$165,634.02
Form 941	9/30/2014	\$153,988.00
Form 941	12/31/2014	\$144,207.91
Form 941	3/31/2015	\$70,944.57
Form 940	12/31/2009	\$5,300.39
Form 940	12/31/2011	\$537.46
Form 940	12/31/2012	\$610.88
Form 940	12/31/2013	\$11,500.74
Form 940	12/31/2014	\$4,736.64
Form 1120	12/31/2012	\$409.89

3. Judgment is entered in favor of the United States and against Janis Nowak in the amount of \$861,543.01, plus such statutory interest from August 7, 2015 until fully paid, for the following liabilities:

Tax Type	Tax Period	Unpaid Assessed Balance Plus Interest and other Statutory Additions to Tax Through August 6, 2015
26 U.S.C. § 6672, Trust Fund Recovery Penalty	12/31/2008	\$40,648.37
26 U.S.C. § 6672, Trust Fund Recovery Penalty	3/31/2009	\$60,482.78
26 U.S.C. § 6672, Trust Fund Recovery Penalty	6/30/2009	\$46,628.62
26 U.S.C. § 6672, Trust Fund Recovery Penalty	9/30/2009	\$45,208.45

26 U.S.C. § 6672, Trust Fund Recovery Penalty	12/31/2009	\$38,386.02
26 U.S.C. § 6672, Trust Fund Recovery Penalty	3/31/2010	\$37,038.06
26 U.S.C. § 6672, Trust Fund Recovery Penalty	12/31/2010	\$554.77
26 U.S.C. § 6672, Trust Fund Recovery Penalty	3/31/2012	\$68,241.49
26 U.S.C. § 6672, Trust Fund Recovery Penalty	6/30/2012	\$73,245.10
26 U.S.C. § 6672, Trust Fund Recovery Penalty	9/30/2013	\$75,069.91
26 U.S.C. § 6672, Trust Fund Recovery Penalty	12/31/2013	\$74,787.52
26 U.S.C. § 6672, Trust Fund Recovery Penalty	3/31/2014	\$73,197.78
26 U.S.C. § 6672, Trust Fund Recovery Penalty	6/30/2014	\$74,088.98
26 U.S.C. § 6672, Trust Fund Recovery Penalty	9/30/2014	\$74,560.13
26 U.S.C. § 6672, Trust Fund Recovery Penalty	12/31/2014	\$79,405.03

4. An injunction is entered against AmericanWay Management Corporation ("AmericanWay") and Janis Nowak ("Nowak") as follows:

- a. Parties Covered by Injunction: This injunction binds Nowak and AmericanWay as well as AmericanWay's officers, shareholders, agents, employees, and persons in concert or participation with them. Where the terms of the injunction require AmericanWay to take action, such requirement shall equally apply to any future business which Nowak controls, manages, or owns. Additionally, where the terms of the injunction require AmericanWay to take

action, such requirement shall equally apply to Nowak insofar as she shall be required to ensure that AmericanWay or any future business takes the required actions.

- b. Withholding Requirement: AmericanWay shall withhold federal income taxes and Federal Insurance Contributions Act ("FICA") taxes (which include Social Security and Medicare taxes) from the wages of AmericanWay's employees when wages are paid.
- c. Deposit Requirements: In accordance with federal deposit regulations, AmericanWay shall timely make deposits to the IRS using the Department of Treasury's Electronic Federal Tax Payment System ("EFTPS") of withheld income and FICA taxes, as well as AmericanWay's share of FICA taxes and Federal Unemployment Tax Act ("FUTA") taxes.
- d. Reporting Requirements: Within three (3) days after AmericanWay makes a timely federal tax deposit as required by paragraph 4.c. above, AmericanWay shall send by fax to IRS Technical Advisor Pat Kosmatka at 414-231-2123, or to such other IRS employee designated by the IRS, the receipt, deposit slip, or other proof that the tax deposit has been made, and a copy of the payroll report showing the amount that should be deposited. Nowak shall also sign and deliver an affidavit to Kosmatka, or to such other person or location as the IRS designates in writing, on the first day of each

month, stating that Nowak has personally ensured that for each pay period during the prior month, the required federal income taxes, FICA, and FUTA taxes were fully deposited and timely made.

- e. Return Requirements: AmericanWay shall timely file with the IRS all of its Form 941, Employer's Quarterly Federal Tax Return, and Form 940, Employer's Annual Federal Unemployment Tax Return, tax returns at the address and in the manner identified in the Instructions for Form 941 and Instructions for Form 940, both of which are available at [www.irs.gov](http://www.irs.gov). Within three (3) days after filing the Forms 940 and 941 with the IRS, AmericanWay shall fax copies of the filed Forms to Kosmatka or to such other IRS employee designated by the IRS.
- f. Employment Tax Priority: From the date this injunction is entered, AmericanWay shall be prohibited from paying its other creditors before timely paying its Form 941 and Form 940 tax liabilities as they come due.
- g. Transfer Prohibition: AmericanWay and Nowak and those persons in concert or participation with AmericanWay are prohibited from transferring, disbursing, or assigning any of their money, property, or assets after the date of the injunction order if the Form 941 and Form 940 liabilities required by paragraph 4.c. of this Order have not been fully made for any tax period.

h. Notification of New Business: AmericanWay shall notify Kosmatka, or such other IRS employee who is designated by the IRS, if AmericanWay merges with another company, assumes a new name, or transfers substantially all of its assets to another entity. Nowak shall notify Kosmatka, or such other IRS employee who is designated by the IRS, of any new company Nowak may come to own, manage, control, or work for. AmericanWay and Nowak shall notify the IRS within 10 days after any of those actions.

i. Enforcement of Injunction: The United States shall be permitted to issue discovery requests during the term of the injunction to assure AmericanWay and Nowak are complying with the injunction. The Court shall retain jurisdiction of this action for the purposes of implementing and enforcing this injunction and entering all additional decrees and orders necessary and appropriate for the public interest.

5. The clerk of court shall enter this judgment.

Dated this 5<sup>th</sup> day of February, 2016.

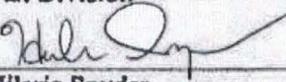
Barbara B. Crabb  
UNITED STATES DISTRICT JUDGE

Dated:

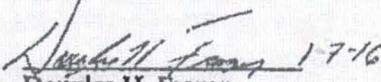
Agreed and Consented to:

Dated:

Caroline D. Ciraolo  
Acting Assistant Attorney General  
Tax Division

  
Hilarie Snyder  
Allison Yewdell  
United States Department of Justice  
Tax Division  
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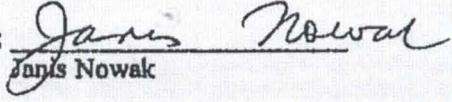
DeWitt Ross & Stevens  
By

 1-7-16  
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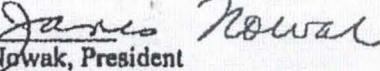
Counsel for Defendants, American Way  
Management Corporation and Janis Nowak

Counsel for Plaintiff, the United States

Janis Nowak

By:   
Janis Nowak

American Way Management Corporation

By:   
Janis Nowak, President